



General Assembly

Substitute Bill No. 467

February Session, 2014



AN ACT CONCERNING STATE GRANTS IN LIEU OF PROPERTY TAXES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2014*) (a) For purposes of this
2 section, "state-owned property" means all real property described in
3 subsection (a) of section 12-19a of the general statutes, and "college and
4 hospital property" means all real property described in subsection (a)
5 of section 12-20a of the general statutes.

6 (b) Notwithstanding the provisions of sections 12-19a and 12-20a of
7 the general statutes, for fiscal years commencing on and after July 1,
8 2015, all state grants in lieu of property taxes for state-owned property
9 and college and hospital property shall be paid to each municipality of
10 the state in accordance with this section.

11 (c) The Secretary of the Office of Policy and Management shall list
12 municipalities based on the percentage of real property on the grand
13 list of each municipality that is exempt from property tax under any
14 provision of the general statutes. (1) The twenty municipalities with
15 the highest percentage of such property shall receive a grant in lieu of
16 taxes equal to fifty per cent of the property taxes that would have been
17 paid to each municipality on state-owned property and on college and
18 hospital property. (2) The twenty municipalities that follow the first

19 twenty municipalities for the percentage of such property in such
20 municipalities shall receive a grant in lieu of taxes equal to forty-five
21 per cent of the property taxes that would have been paid to each
22 municipality on state-owned property and on college and hospital
23 property. (3) All municipalities that are not included in the grants
24 described in subdivisions (1) and (2) of this subsection shall receive a
25 grant in lieu of taxes equal to forty per cent of the property taxes that
26 would have been paid to each municipality on state-owned property
27 and on college and hospital property.

28 (d) Notwithstanding the grant percentages specified in subsection
29 (c) of this section, the grant payable to any town under this section for
30 the following state-owned property shall be:

31 (1) (A) Seventy-five per cent of the property taxes which would
32 have been paid with respect to any facility designated by the
33 Commissioner of Correction, on or before August first of each year, to
34 be a correctional facility administered under the auspices of the
35 Department of Correction or a juvenile detention center under
36 direction of the Department of Children and Families that was used for
37 incarcerative purposes during the preceding fiscal year. If a list
38 containing the name and location of such designated facilities and
39 information concerning their use for purposes of incarceration during
40 the preceding fiscal year is not available from the Secretary of the State
41 on the first day of August of any year, the Commissioner of Correction
42 shall, on said first day of August, certify to the Secretary of the Office
43 of Policy and Management a list containing such information, (B)
44 seventy-five per cent of the property taxes which would have been
45 paid with respect to that portion of the John Dempsey Hospital located
46 at The University of Connecticut Health Center in Farmington that is
47 used as a permanent medical ward for prisoners under the custody of
48 the Department of Correction. Nothing in this section shall be
49 construed as designating any portion of The University of Connecticut
50 Health Center John Dempsey Hospital as a correctional facility, and
51 (C) seventy-five per cent of the property taxes which would have been

52 paid on any land designated within the 1983 Settlement boundary and
53 taken into trust by the federal government for the Mashantucket
54 Pequot Tribal Nation on or after June 8, 1999; (2) subject to the
55 provisions of subsection (c) of section 12-19a of the general statutes,
56 fifty-five per cent of the property taxes which would have been paid
57 with respect to the buildings and grounds comprising Connecticut
58 Valley Hospital in Middletown; (3) notwithstanding the provisions of
59 subsections (b) and (c) of section 12-19a of the general statutes, with
60 respect to any town in which more than fifty per cent of the property is
61 state-owned real property, seventy-five per cent of the property taxes
62 which would have been paid with respect to such state-owned
63 property; (4) forty per cent of the property taxes which would have
64 been paid with respect to all municipally-owned airports. The grant
65 provided pursuant to this section for any municipally-owned airport
66 shall be paid to any municipality in which the airport is located, except
67 that the grant applicable to Sikorsky Airport shall be paid half to the
68 town of Stratford and half to the city of Bridgeport; and (5) forty per
69 cent of the property taxes which would have been paid with respect to
70 any land designated within the 1983 Settlement boundary and taken
71 into trust by the federal government for the Mashantucket Pequot
72 Tribal Nation prior to June 8, 1999, or taken into trust by the federal
73 government for the Mohegan Tribe of Indians of Connecticut,
74 provided the real property subject to this subdivision shall be the land
75 only, and shall not include the assessed value of any structures,
76 buildings or other improvements on such land. The percentages
77 provided in this subsection shall be that percentage of property tax
78 which would have been paid with respect to such property, except for
79 the exemption applicable to such property, on the assessment list in
80 such town for the assessment date two years prior to the
81 commencement of the state fiscal year in which such grant is paid.

82 (e) The grants in lieu of taxes payable to municipalities for the fiscal
83 years commencing July 1, 2015, to July 1, 2019, inclusive, shall be paid
84 as follows: (1) For the fiscal year commencing July 1, 2015, the grant
85 payable shall be equal to eighty per cent of the amounts calculated

86 pursuant to sections 12-19a and 12-20a of the general statutes, and
87 twenty per cent of the amounts calculated pursuant to this section; (2)
88 for the fiscal year commencing July 1, 2016, the grant payable shall be
89 equal to sixty per cent of the amounts calculated pursuant to sections
90 12-19a and 12-20a of the general statutes, and forty per cent of the
91 amounts calculated pursuant to this section; (3) for the fiscal year
92 commencing July 1, 2017, the grant payable shall be equal to forty per
93 cent of the amounts calculated pursuant to sections 12-19a and 12-20a
94 of the general statutes, and sixty per cent of the amounts calculated
95 pursuant to this section; (4) for the fiscal year commencing July 1, 2018,
96 the grant payable shall be equal to twenty per cent of the amounts
97 calculated pursuant to sections 12-19a and 12-20a of the general
98 statutes, and eighty per cent of the amounts calculated pursuant to this
99 section; and (5) for the fiscal year commencing July 1, 2019, the grant
100 payable shall be equal to one hundred per cent of the amounts
101 calculated pursuant to this section.

102 (f) No municipality shall receive a grant in lieu of taxes pursuant to
103 this section that is less than that received for state-owned property and
104 for college and hospital property in the fiscal year commencing July 1,
105 2014, after proration is applied as provided in subsection (b) of section
106 12-19a of the general statutes and subsection (b) of section 12-20a of the
107 general statutes.

108 (g) The Office of Policy and Management shall report, in accordance
109 with the provisions of section 11-4a of the general statutes, to the joint
110 standing committee of the General Assembly having cognizance of
111 matters relating to finance, revenue and bonding, on or before July 1,
112 2016, and on or before July first annually thereafter until July 1, 2019,
113 with regard to the grants distributed in accordance with this section,
114 and shall include in such reports any recommendations for changes in
115 the grants.

116 Sec. 2. Section 12-19b of the general statutes is repealed and the
117 following is substituted in lieu thereof (*Effective July 1, 2014*):

118 (a) Not later than April first in any assessment year, any town or
119 borough to which a grant is payable under the provisions of section 12-
120 19a or section 1 of this act, as applicable, shall provide the Secretary of
121 the Office of Policy and Management with the assessed valuation of
122 the real property eligible therefor as of the first day of October
123 immediately preceding, adjusted in accordance with any gradual
124 increase in or deferment of assessed values of real property
125 implemented in accordance with section 12-62c, which is required for
126 computation of such grant. Any town which neglects to transmit to the
127 secretary the assessed valuation as required by this section shall forfeit
128 two hundred fifty dollars to the state, provided the secretary may
129 waive such forfeiture in accordance with procedures and standards
130 adopted by regulation in accordance with chapter 54. Said secretary
131 may on or before the first day of August of the state fiscal year in
132 which such grant is payable, reevaluate any such property when, in
133 the secretary's judgment, the valuation is inaccurate and shall notify
134 such town of such reevaluation by certified or registered mail. Any
135 town or borough aggrieved by the action of the secretary under the
136 provisions of this section may, not later than ten business days
137 following receipt of such notice, appeal to the secretary for a hearing
138 concerning such reevaluation. Such appeal shall be in writing and shall
139 include a statement as to the reasons for such appeal. The secretary
140 shall, not later than ten business days following receipt of such appeal,
141 grant or deny such hearing by notification in writing, including in the
142 event of a denial, a statement as to the reasons for such denial. Such
143 notification shall be sent by certified or registered mail. If any town or
144 borough is aggrieved by the action of the secretary following such
145 hearing or in denying any such hearing, the town or borough may not
146 later than ten business days after receiving such notice, appeal to the
147 superior court for the judicial district wherein such town is located.
148 Any such appeal shall be privileged.

149 (b) Notwithstanding the provisions of section 12-19a and section 1
150 of this act, or subsection (a) of this section, there shall be an amount
151 due the municipality of Voluntown, on or before the thirtieth day of

152 September, annually, with respect to any state-owned forest, of an
153 additional sixty thousand dollars, which amount shall be paid from the
154 annual appropriation, from the General Fund, for reimbursement to
155 towns for loss of taxes on private tax-exempt property.

156 Sec. 3. Section 12-19c of the general statutes is repealed and the
157 following is substituted in lieu thereof (*Effective July 1, 2014*):

158 The Secretary of the Office of Policy and Management shall, not
159 later than September fifteenth, certify to the Comptroller the amount
160 due each town or borough under the provisions of section 12-19a or
161 section 1 of this act, as applicable, or under any recomputation
162 occurring prior to said September fifteenth which may be effected as
163 the result of the provisions of section 12-19b, as amended by this act,
164 and the Comptroller shall draw an order on the Treasurer on or before
165 the fifth business day following September fifteenth and the Treasurer
166 shall pay the amount thereof to such town on or before the thirtieth
167 day of September following. If any recomputation is effected as the
168 result of the provisions of section 12-19b, as amended by this act, on or
169 after the August first following the date on which the town has
170 provided the assessed valuation in question, any adjustments to the
171 amount due to any town for the period for which such adjustments
172 were made shall be made in the next payment the Treasurer shall
173 make to such town pursuant to this section.

174 Sec. 4. Subsection (a) of section 12-20b of the general statutes is
175 repealed and the following is substituted in lieu thereof (*Effective July*
176 *1, 2014*):

177 (a) Not later than April first in each year, any municipality to which
178 a grant is payable under the provisions of section 12-20a or section 1 of
179 this act, as applicable, shall provide the Secretary of the Office of Policy
180 and Management with the assessed valuation of the tax-exempt real
181 property as of the immediately preceding October first, adjusted in
182 accordance with any gradual increase in or deferment of assessed
183 values of real property implemented in accordance with section 12-62c,

184 which is required for computation of such grant. Any municipality
185 which neglects to transmit to the Secretary of the Office of Policy and
186 Management the assessed valuation as required by this section shall
187 forfeit two hundred fifty dollars to the state, provided the secretary
188 may waive such forfeiture in accordance with procedures and
189 standards adopted by regulation in accordance with chapter 54. Said
190 secretary may, on or before the first day of August of the state fiscal
191 year in which such grant is payable, reevaluate any such property
192 when, in his or her judgment, the valuation is inaccurate and shall
193 notify such municipality of such reevaluation. Any municipality
194 aggrieved by the action of said secretary under the provisions of this
195 section may, not later than ten business days following receipt of such
196 notice, appeal to the secretary for a hearing concerning such
197 reevaluation, provided such appeal shall be in writing and shall
198 include a statement as to the reasons for such appeal. The secretary
199 shall, not later than ten business days following receipt of such appeal,
200 grant or deny such hearing by notification in writing, including in the
201 event of a denial, a statement as to the reasons for such denial. If any
202 municipality is aggrieved by the action of the secretary following such
203 hearing or in denying any such hearing, the municipality may not later
204 than two weeks after such notice, appeal to the superior court for the
205 judicial district in which the municipality is located. Any such appeal
206 shall be privileged. Said secretary shall certify to the Comptroller the
207 amount due each municipality under the provisions of section 12-20a
208 or section 1 of this act, as applicable, or under any recomputation
209 occurring prior to September fifteenth which may be effected as the
210 result of the provisions of this section, and the Comptroller shall draw
211 his or her order on the Treasurer on or before the fifth business day
212 following September fifteenth and the Treasurer shall pay the amount
213 thereof to such municipality on or before the thirtieth day of
214 September following. If any recomputation is effected as the result of
215 the provisions of this section on or after the January first following the
216 date on which the municipality has provided the assessed valuation in
217 question, any adjustments to the amount due to any municipality for
218 the period for which such adjustments were made shall be made in the

219 next payment the Treasurer shall make to such municipality pursuant
220 to this section.

221 Sec. 5. Subsection (a) of section 12-63h of the 2014 supplement to the
222 general statutes is repealed and the following is substituted in lieu
223 thereof (*Effective July 1, 2014*):

224 (a) The Secretary of the Office of Policy and Management shall
225 establish a pilot program in up to three municipalities whereby the
226 selected municipalities shall develop a plan for implementation of land
227 value taxation that (1) classifies real estate included in the taxable
228 grand list as (A) land or land exclusive of buildings, or (B) buildings on
229 land; and (2) establishes a different mill rate for property tax purposes
230 for each class, provided the higher mill rate shall apply to land or land
231 exclusive of buildings. The different mill rates for taxable real estate in
232 each class shall not be applicable to any property for which a grant is
233 payable under section 12-19a, [or] 12-20a or section 1 of this act, as
234 applicable.

235 Sec. 6. Subsection (b) of section 12-64 of the 2014 supplement to the
236 general statutes is repealed and the following is substituted in lieu
237 thereof (*Effective July 1, 2014*):

238 (b) Except as provided in subsection (c) of this section, any land,
239 buildings or easement to use air rights belonging to or held in trust for
240 the state, not used for purposes attributable to functions of the state
241 government or any other governmental purpose but leased to a person
242 or organization for use unrelated to any such purpose, exclusive of any
243 such lease with respect to which a binding agreement is in effect on
244 June 25, 1985, shall be separately assessed in the name of the lessee and
245 subject to local taxation annually in the name of the lessee having
246 immediate right to occupancy of such land or building, by the town
247 wherein situated as of the assessment day next following the date of
248 leasing pursuant to section 4b-38. If such property or any portion
249 thereof is leased to any organization which, if the property were
250 owned by or held in trust for such organization, would not be liable

251 for taxes with respect to such property under any of the subdivisions
252 of section 12-81, such organization shall be entitled to exemption from
253 property taxes as the lessee under such lease, provided such property
254 is used exclusively for the purposes of such organization as stated in
255 the applicable subdivision of [said] section 12-81 and the portion of
256 such property so leased to such exempt organization shall be eligible
257 for a grant in lieu of taxes pursuant to section 12-19a or section 1 of this
258 act, as applicable. Whenever the lessee of such property is required to
259 pay property taxes to the town in which such property is situated as
260 provided in this subsection, the assessed valuation of such property
261 subject to the interest of the lessee shall not be included in the annual
262 list of assessed values of state-owned real property in such town as
263 prepared for purposes of state grants in accordance with [said] section
264 12-19a or section 1 of this act, as applicable and the amount of grant to
265 such town under [said] section 12-19a or section 1 of this act, as
266 applicable, shall be determined without consideration of such assessed
267 value.

268 Sec. 7. Subsections (a) to (d), inclusive, of section 3-55j of the general
269 statutes are repealed and the following is substituted in lieu thereof
270 (*Effective July 1, 2014*):

271 (a) Twenty million dollars of the moneys available in the
272 Mashantucket Pequot and Mohegan Fund established by section 3-55i
273 shall be paid to municipalities eligible for a state grant in lieu of taxes
274 pursuant to section 12-19a, or section 1 of this act, as applicable, in
275 addition to the grants payable to such municipalities pursuant to
276 section 12-19a, or section 1 of this act, as applicable, subject to the
277 provisions of subsection (b) of this section. Such grant shall be
278 calculated under the provisions of section 12-19a, or section 1 of this
279 act, as applicable, and shall equal one-third of the additional amount
280 which such municipalities would be eligible to receive if the total
281 amount available for distribution were eighty-five million two
282 hundred five thousand eighty-five dollars and the percentage of
283 reimbursement set forth in section 12-19a, or section 1 of this act, as

284 applicable, were increased to reflect such amount. Any eligible special
285 services district shall receive a portion of the grant payable under this
286 subsection to the town in which such district is located. The portion
287 payable to any such district under this subsection shall be the amount
288 of the grant to the town under this subsection which results from
289 application of the district mill rate to exempt property in the district.
290 As used in this subsection and subsection (c) of this section, "eligible
291 special services district" means any special services district created by a
292 town charter, having its own governing body and for the assessment
293 year commencing October 1, 1996, containing fifty per cent or more of
294 the value of total taxable property within the town in which such
295 district is located.

296 (b) No municipality shall receive a grant pursuant to subsection (a)
297 of this section which, when added to the amount of the grant payable
298 to such municipality pursuant to section 12-19a, or section 1 of this act,
299 as applicable, would exceed one hundred per cent of the property
300 taxes which would have been paid with respect to all state-owned real
301 property, except for the exemption applicable to such property, on the
302 assessment list in such municipality for the assessment date two years
303 prior to the commencement of the state fiscal year in which such grants
304 are payable, except that, notwithstanding the provisions of said
305 subsection (a), no municipality shall receive a grant pursuant to said
306 subsection which is less than one thousand six hundred sixty-seven
307 dollars.

308 (c) Twenty million one hundred twenty-three thousand nine
309 hundred sixteen dollars of the moneys available in the Mashantucket
310 Pequot and Mohegan Fund established by section 3-55i shall be paid to
311 municipalities eligible for a state grant in lieu of taxes pursuant to
312 section 12-20a, or section 1 of this act, as applicable, in addition to and
313 in the same proportion as the grants payable to such municipalities
314 pursuant to section 12-20a, or section 1 of this act, as applicable, subject
315 to the provisions of subsection (d) of this section. Any eligible special
316 services district shall receive a portion of the grant payable under this

317 subsection to the town in which such district is located. The portion
318 payable to any such district under this subsection shall be the amount
319 of the grant to the town under this subsection which results from
320 application of the district mill rate to exempt property in the district.

321 (d) Notwithstanding the provisions of subsection (c) of this section,
322 no municipality shall receive a grant pursuant to said subsection
323 which, when added to the amount of the grant payable to such
324 municipality pursuant to section 12-20a, or section 1 of this act, as
325 applicable, would exceed one hundred per cent of the property taxes
326 which, except for any exemption applicable to any private nonprofit
327 institution of higher education, nonprofit general hospital facility or
328 freestanding chronic disease hospital under the provisions of section
329 12-81, would have been paid with respect to such exempt real property
330 on the assessment list in such municipality for the assessment date two
331 years prior to the commencement of the state fiscal year in which such
332 grants are payable.

333 Sec. 8. Subsection (g) of section 4b-38 of the general statutes is
334 repealed and the following is substituted in lieu thereof (*Effective July*
335 *1, 2014*):

336 (g) Notwithstanding the provisions of this section, the board of
337 trustees of a constituent unit of the state system of higher education
338 may lease land or buildings, or both, and facilities under the control
339 and supervision of such board when such land, buildings or facilities
340 are otherwise not used or needed for use by the constituent unit and
341 such action seems desirable to produce income or is otherwise in the
342 public interest, provided the Treasurer has determined that such action
343 will not affect the status of any tax-exempt obligations issued or to be
344 issued by the state of Connecticut. Upon executing any such lease, said
345 board shall forward a copy to the assessor or board of assessors of the
346 municipality in which the leased property is located. The proceeds
347 from any lease or rental agreement pursuant to this subsection shall be
348 retained by the constituent unit. Any land so leased for private use and
349 the buildings and appurtenances thereon shall be subject to local

350 assessment and taxation annually in the name of the lessee, assignee or
351 sublessee, whichever has immediate right to occupancy of such land or
352 building, by the town wherein situated as of the assessment day of
353 such town next following the date of leasing. Such land and the
354 buildings and appurtenances thereon shall not be included as property
355 of the constituent unit for the purpose of computing a grant in lieu of
356 taxes pursuant to section 12-19a or section 1 of this act, as applicable,
357 provided, if such property is leased to an organization which, if the
358 property were owned by or held in trust for such organization would
359 not be liable for taxes with respect to such property under section 12-
360 81, such organization shall be entitled to exemption from property
361 taxes as the lessee under such lease, and the portion of such property
362 exempted and leased to such organization shall be eligible for a grant
363 in lieu of taxes pursuant to [said] section 12-19a or section 1 of this act,
364 as applicable.

365 Sec. 9. Section 4b-39 of the general statutes is repealed and the
366 following is substituted in lieu thereof (*Effective July 1, 2014*):

367 Land, buildings or facilities leased pursuant to section 4b-35 and
368 section 4b-36 shall be exempt from municipal taxation. The value of
369 such land, buildings or facilities shall be used for computation of
370 grants in lieu of taxes pursuant to section 12-19a or section 1 of this act,
371 as applicable.

372 Sec. 10. Section 4b-46 of the general statutes is repealed and the
373 following is substituted in lieu thereof (*Effective July 1, 2014*):

374 On and after July 1, 1995, any property which is subject to an
375 agreement entered into by the Commissioner of Administrative
376 Services for the purchase of such property through a long-term
377 financing contract shall be exempt from taxation by the municipality in
378 which such property is located, during the term of such contract. The
379 assessed valuation of such property shall be included with the
380 assessed valuation of state-owned land and buildings for purposes of
381 determining the state grant in lieu of taxes under the provisions of

382 section 12-19a or section 1 of this act, as applicable.

383 Sec. 11. Section 10a-90 of the general statutes is repealed and the
384 following is substituted in lieu thereof (*Effective July 1, 2014*):

385 The Board of Trustees for the Connecticut State University System,
386 with the approval of the Governor and the Secretary of the Office of
387 Policy and Management, may lease state-owned land under its care,
388 custody or control to private developers for construction of dormitory
389 buildings, provided such developers agree to lease such buildings to
390 such board of trustees with an option to purchase and provided
391 further that any such agreement to lease is subject to the provisions of
392 section 4b-23, prior to the making of the original lease by the board of
393 trustees. The plans for such buildings shall be subject to approval of
394 such board, the Commissioner of Administrative Services and the State
395 Properties Review Board and such leases shall be for the periods and
396 upon such terms and conditions as the Commissioner of
397 Administrative Services determines, and such buildings, while
398 privately owned, shall be subject to taxation by the town in which they
399 are located. The Board of Trustees for the Connecticut State University
400 System may also deed, transfer or lease state-owned land under its
401 care, custody or control to the State of Connecticut Health and
402 Educational Facilities Authority for financing or refinancing the
403 planning, development, acquisition and construction and equipping of
404 dormitory buildings and student housing facilities and to lease or
405 sublease such dormitory buildings or student housing facilities and
406 authorize the execution of financing leases of land, interests therein,
407 buildings and fixtures in order to secure obligations to repay any loan
408 from the State of Connecticut Health and Educational Facilities
409 Authority from the proceeds of bonds issued thereby pursuant to the
410 provisions of chapter 187 made by the authority to finance or refinance
411 the planning, development, acquisition and construction of dormitory
412 buildings. Any such financing lease shall not be subject to the
413 provisions of section 4b-23 and the plans for such dormitories shall be
414 subject only to the approval of the board. Such financing leases shall be

415 for such periods and upon such terms and conditions that the board
416 shall determine. Any state property so leased shall not be subject to
417 local assessment and taxation and such state property shall be
418 included as property of the Connecticut State University System for
419 the purpose of computing a grant in lieu of taxes pursuant to section
420 12-19a, or section 1 of this act, as applicable.

421 Sec. 12. Subsection (b) of section 10a-91 of the general statutes is
422 repealed and the following is substituted in lieu thereof (*Effective July*
423 *1, 2014*):

424 (b) Any land so leased to a private developer for rental housing or
425 commercial establishments and the buildings and appurtenances
426 thereon shall be subject to local assessment and taxation annually in
427 the name of the lessee, assignee or sublessee, whichever has immediate
428 right to occupancy of such land or building, by the town wherein
429 situated as of the assessment day of such town next following the date
430 of leasing. Such land shall not be included as property of the
431 Connecticut State University System for the purpose of computing a
432 grant in lieu of taxes pursuant to section 12-19a or section 1 of this act,
433 as applicable.

434 Sec. 13. Section 15-101dd of the general statutes is repealed and the
435 following is substituted in lieu thereof (*Effective July 1, 2014*):

436 Whenever any lessee is required to pay property taxes under this
437 chapter, the assessed valuation of such property subject to the interest
438 of the lessee shall not be included in the annual list of assessed values
439 of state-owned real property in such town as prepared for purposes of
440 state grants in accordance with section 12-19a or section 1 of this act, as
441 applicable, and the amount of grant to such town under [said] section
442 12-19a or section 1 of this act, as applicable, shall be determined
443 without consideration of such assessed value.

444 Sec. 14. Subsection (c) of section 22-26jj of the general statutes is
445 repealed and the following is substituted in lieu thereof (*Effective July*

446 1, 2014):

447 (c) The commissioner may lease all or part of one property acquired
448 by him under this section as part of a demonstration project, in
449 accordance with subsection (d) of this section, provided such project is
450 approved by the Secretary of the Office of Policy and Management.
451 Such property may be leased to one or more agricultural users for a
452 period not to exceed five years. Such lease may be renewed for periods
453 not to exceed five years. Any property leased under such
454 demonstration project shall be exempt from taxation by the
455 municipality in which the property is located. The assessed valuation
456 of the property shall be included with the assessed valuation of state-
457 owned land and buildings for purposes of determining the state's
458 grant in lieu of taxes under the provisions of section 12-19a or section 1
459 of this act, as applicable.

460 Sec. 15. Subsection (c) of section 22-2600 of the 2014 supplement to
461 the general statutes is repealed and the following is substituted in lieu
462 thereof (*Effective July 1, 2014*):

463 (c) The Commissioner of Agriculture may lease, permit or license all
464 or part of said farm to one or more persons for the purpose of
465 engaging in agriculture, as defined in section 1-1. Any such lease,
466 permit or license shall be for a period not to exceed fifteen years and
467 shall contain, as a condition thereof, compliance with the provisions of
468 the permanent conservation easement granted pursuant to subsection
469 (b) of this section. Any such lease, permit or license may be renewed
470 for a period not to exceed fifteen years. Any property leased, permitted
471 or licensed pursuant to this subsection shall be exempt from taxation
472 by the municipality in which said property is located. The assessed
473 valuation of said property shall be included in the assessed valuation
474 of state-owned land and buildings for purposes of determining the
475 state's grant in lieu of taxes pursuant to the provisions of section 12-19a
476 or section 1 of this act, as applicable. Any such lease, permit or license
477 shall be subject to the review and approval of the State Properties
478 Review Board. The State Properties Review Board shall complete a

479 review of each lease, permit or license not later than thirty days after
480 receipt of a proposed lease, permit or license from the Commissioner
481 of Agriculture.

482 Sec. 16. Section 22a-282 of the general statutes is repealed and the
483 following is substituted in lieu thereof (*Effective July 1, 2014*):

484 The Connecticut Resources Recovery Authority, notwithstanding
485 the provisions of subsection (b) of section 22a-208a concerning the
486 right of any local body to regulate, through zoning, land usage for
487 solid waste disposal and section 22a-276, may use and operate as a
488 solid waste disposal area, pursuant to a permit issued under sections
489 22a-208, 22a-208a and 22a-430, any real property owned by said
490 authority on or before May 11, 1984, any portion of which has been
491 operated as a solid waste disposal area, and the authority shall not be
492 subject to regulation by any such body, except that the authority shall
493 pay to the municipality in which such property is located one dollar
494 per ton of unprocessed solid waste received from outside of such
495 municipality and disposed of at the solid waste disposal area by the
496 authority. Any payment shall be in addition to any other agreement
497 between the municipality and the authority. The provisions of section
498 12-19a and section 1 of this act, as applicable, shall not be construed to
499 apply to any such real property.

500 Sec. 17. Section 23-30 of the general statutes is repealed and the
501 following is substituted in lieu thereof (*Effective July 1, 2014*):

502 The Commissioner of Energy and Environmental Protection may,
503 for the purposes specified in section 23-29, lease, for a period of not
504 less than ninety-nine years, any lands within the state, title to which
505 has been acquired by the resettlement administration or other agency
506 of the government of the United States, provided the form of such
507 lease shall be approved by the Attorney General. Said commissioner
508 may enter into cooperative agreements with any branch of the
509 government of the United States regarding the custody, management
510 and use of lands so leased. All lands leased under this section shall, for

511 the purposes of taxation, be considered as owned by the state, and the
512 towns in which such lands are situated shall receive from the state
513 grants in lieu of taxes thereon, as provided in section 12-19a or section
514 1 of this act, as applicable.

515 Sec. 18. Section 32-610 of the general statutes is repealed and the
516 following is substituted in lieu thereof (*Effective July 1, 2014*):

517 The exercise of the powers granted by section 32-602 constitute the
518 performance of an essential governmental function and the Capital
519 Region Development Authority shall not be required to pay any taxes
520 or assessments upon or in respect of the convention center or the
521 convention center project, as defined in section 32-600, levied by any
522 municipality or political subdivision or special district having taxing
523 powers of the state and such project and the principal and interest of
524 any bonds and notes issued under the provisions of section 32-607,
525 their transfer and the income therefrom, including revenues derived
526 from the sale thereof, shall at all times be free from taxation of every
527 kind by the state of Connecticut or under its authority, except for estate
528 or succession taxes but the interest on such bonds and notes shall be
529 included in the computation of any excise or franchise tax.
530 Notwithstanding the foregoing, the convention center and the related
531 parking facilities owned by the authority shall be deemed to be state-
532 owned real property for purposes of sections 12-19a and 12-19b, as
533 amended by this act, and section 1 of this act, and the state shall make
534 grants in lieu of taxes with respect to the convention center and such
535 related parking facilities to the municipality in which the convention
536 center and such related parking facilities are located as otherwise
537 provided in [said] sections 12-19a and 12-19b, as amended by this act,
538 or section 1 of this act, as applicable.

539 Sec. 19. Subsections (a) and (b) of section 32-666 of the general
540 statutes are repealed and the following is substituted in lieu thereof
541 (*Effective July 1, 2014*):

542 (a) Any land on the Adriaen's Landing site leased by the secretary

543 for purposes of site acquisition for an initial term of at least ninety-nine
 544 years shall, while such lease remains in effect, be deemed to be state-
 545 owned real property for purposes of sections 12-19a and 12-19b, as
 546 amended by this act, section 1 of this act and subdivision (2) of section
 547 12-81 and the state shall make grants in lieu of taxes with respect to
 548 such land to the municipality in which the same is located as otherwise
 549 provided in sections 12-19a and 12-19b, as amended by this act, or
 550 section 1 of this act, as applicable.

551 (b) Any land that comprises a private development district
 552 designated pursuant to section 32-600 and all improvements on or to
 553 such land shall, while such designation continues, be deemed to be
 554 state-owned real property for purposes of sections 12-19a and 12-19b,
 555 as amended by this act, section 1 of this act and subdivision (2) of
 556 section 12-81, and the state shall make grants in lieu of taxes with
 557 respect to such land and improvements to the municipality in which
 558 the same is located as otherwise provided in sections 12-19a and 12-
 559 19b, as amended by this act, or section 1 of this act, as applicable.
 560 Section 32-666a shall not be applicable to any such land or
 561 improvements while designated as part of the private development
 562 district.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2014	New section
Sec. 2	July 1, 2014	12-19b
Sec. 3	July 1, 2014	12-19c
Sec. 4	July 1, 2014	12-20b(a)
Sec. 5	July 1, 2014	12-63h(a)
Sec. 6	July 1, 2014	12-64(b)
Sec. 7	July 1, 2014	3-55j(a) to (d)
Sec. 8	July 1, 2014	4b-38(g)
Sec. 9	July 1, 2014	4b-39
Sec. 10	July 1, 2014	4b-46
Sec. 11	July 1, 2014	10a-90
Sec. 12	July 1, 2014	10a-91(b)

Sec. 13	<i>July 1, 2014</i>	15-101dd
Sec. 14	<i>July 1, 2014</i>	22-26jj(c)
Sec. 15	<i>July 1, 2014</i>	22-26oo(c)
Sec. 16	<i>July 1, 2014</i>	22a-282
Sec. 17	<i>July 1, 2014</i>	23-30
Sec. 18	<i>July 1, 2014</i>	32-610
Sec. 19	<i>July 1, 2014</i>	32-666(a) and (b)

FIN *Joint Favorable Subst.*

PD *Joint Favorable*